

STATE OF NORTH DAKOTA

IN DISTRICT COURT

WARD COUNTY

NORTH CENTRAL JUDICIAL DISTRICT

STATE OF NORTH DAKOTA EX REL.  
WAYNE STENEHJEM,  
ATTORNEY GENERAL,

Civil No. 51-2016-CV-00943

Plaintiff,

**CONSENT JUDGMENT**

-vs-

CHAD WILBURN,  
doing business as  
BODIES BY CHAD,

Defendant.

CPAT 120316.004

[¶1] This action having been presented to the Court on stipulation between the Plaintiff State of North Dakota, by and through Assistant Attorney General Brian M. Card, Consumer Protection and Antitrust Division of the Office of the Attorney General, and Chad Wilburn doing business as Bodies by Chad, in the form of a Consent to Entry of Order and Judgment, and the Court having reviewed the Parties' agreement and having ordered that Judgment be entered as agreed by the parties; **NOW THEREFORE, IT IS HEREBY STIPULATED, ORDERED, ADJUDGED AND DECREED AS FOLLOWS:**

[¶2] The State of North Dakota ex rel. Wayne Stenehjem, Attorney General, has authority to act in this matter pursuant to N.D.C.C. ch. 51-15.

[¶3] This Court has personal jurisdiction over Defendant Chad Wilburn and this Court has subject matter jurisdiction pursuant to N.D.C.C. § 51-15-07.

[¶4] The venue of this action in Ward County is proper under N.D.C.C. §§ 28-04-03 and 28-04-05 because Defendant Chad Wilburn resides in Ward County,

Defendant Chad Wilburn has transacted business in Ward County, and all or part of the cause of action arose in Ward County.

[¶5] Defendant Chad Wilburn accepts and expressly waives any defect in connection with service of process issued by the Plaintiff on Defendant.

[¶6] Defendant Chad Wilburn is adjudged to have violated N.D.C.C. § 47-25-02 by doing business as "Bodies by Chad" without having registered that name with the Secretary of State as required by N.D.C.C. ch. 47-25.

[¶7] Defendant Chad Wilburn is adjudged in violation of the consumer fraud law and N.D.C.C. § 51-15-02 for engaging in fraud, false pretense, false promise, or misrepresentations in violation of N.D.C.C. § 51-15-02, in connection with the advertisement, solicitation, and sale of merchandise, including motor vehicle restoration services, in the State of North Dakota and elsewhere.

[¶8] Defendant Chad Wilburn admits that he, through written and oral representations, has made false, deceptive, and misleading representations, with the intent that others rely thereon, and that he has engaged in deceptive acts or practices, with the intent that others rely thereon, in connection with the sale of motor vehicle restoration services.

[¶9] Defendant Chad Wilburn admits that he obtained advance payments from customers by making false, deceptive, or misleading representations or promises regarding his intent or ability to deliver as promised.

[¶10] Defendant Chad Wilburn admits that he used the advance payments from consumers for purposes other than to perform the services promised in the agreement with consumers, and admits that he no longer has the money to issue refunds to consumers.

[¶11] Defendant Chad Wilburn admits that his conduct of taking advance payments for services he had no intention of performing, or ability to perform, and using the advance payments for purposes other than to deliver merchandise promised to consumers, constitutes false pretense, false representation, or actual fraud under 11 U.S.C. 523(a)(2).

[¶12] Pursuant to N.D.C.C. § 51-15-07, Defendant Chad Wilburn, his agents, employees, representatives, assigns, and all other persons in active concert or participation with them are permanently enjoined and restrained from directly or indirectly engaging in acts or practices in violation of N.D.C.C. § 51-15-02 in connection with the advertisement or sale of merchandise, as defined by N.D.C.C. § 51-15-01(3), including motor vehicle restoration services, within the State of North Dakota.

[¶13] Pursuant to N.D.C.C. § 51-15-07, Defendant Chad Wilburn, his agents, employees, representatives, assigns, and all other persons in active concert or participation with them are permanently restrained and enjoined from operating any motor vehicle restoration business in North Dakota. However, Defendant may be employed by a motor vehicle restoration business.

[¶14] Defendant Chad Wilburn, pursuant to N.D.C.C. § 51-15-07, is permanently enjoined from violating N.D.C.C. ch. 47-25.

[¶15] Defendant Chad Wilburn, pursuant to N.D.C.C. § 51-15-07, is permanently enjoined and restrained from soliciting or accepting from consumers advance payments or consumer deposits in connection with the sale of merchandise, as defined by N.D.C.C. § 51-15-01(3).

[¶16] Defendant shall indemnify and hold harmless the consumers to whom he sold services or merchandise and failed to complete or deliver. Defendant shall provide full refunds to all consumers who have paid Defendant an advance deposit or payment for services or merchandise that was not completed or has not been delivered or installed. Defendant admit that he owes refunds to the consumers identified herein, in

the amounts set forth herein, and consents to the entry of monetary Judgments in favor of the consumers in the amounts set forth in this Judgment.

[¶17] Defendant Chad Wilburn owes restitution in the amount of \$20,000.00 to Michael Stromberg, 12401 County Road 15W, Minot, ND 58703. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Michael Stromberg. The Attorney General may thereafter assign this amount to Michael Stromberg.

[¶18] Defendant Chad Wilburn owes restitution in the amount of \$20,000.00 to Marlo Stromberg, 12401 County Road 15W, Minot, ND 58703. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Marlo Stromberg. The Attorney General may thereafter assign this amount to Marlo Stromberg.

[¶19] Defendant Chad Wilburn owes restitution in the amount of \$37,000.00 to Greg Wiedmer, PO Box 772, Kenmare, ND 58746. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Greg Wiedmer. The Attorney General may thereafter assign this amount to Greg Wiedmer.

[¶20] Defendant Chad Wilburn owes restitution in the amount of \$30,000.00 to Gary Schroeder, 8415 County Road 21, McGregor, ND 58755. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Gary Schroeder. The Attorney General may thereafter assign this amount to Gary Schroeder.

[¶21] Defendant Chad Wilburn owes restitution in the amount of \$2500.00 to Cameron Adam, 9601 42<sup>nd</sup> Street SE, Minot, ND 58701. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Cameron Adam. The Attorney General may thereafter assign this amount to Cameron Adam.

[¶22] Defendant Chad Wilburn owes restitution in the amount of \$8000.00 to Allen Adam, 589 North Rice Lake Road, Douglas, ND 58735. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Allen Adam. The Attorney General may thereafter assign this amount to Allen Adam.

[¶23] Defendant Chad Wilburn owes restitution in the amount \$10,500.00 to Dennis Jacobson, 514 North Sedona Drive, West Fargo, ND 58078. Defendant agrees and consents to the entry of a monetary judgment against Defendant Chad Wilburn for the benefit of Dennis Jacobson. The Attorney General may thereafter assign this amount to Dennis Jacobson.

[¶24] Defendant Chad Wilburn owes restitution in the amount of \$9000.00 to Roosevelt Watts, 2121 North Broadway, Minot, ND 58703. Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of Roosevelt Watts. The Attorney General may thereafter assign this amount to Roosevelt Watts.

[¶25] Defendant Chad Wilburn owes restitution in the amount of \$3000.00 to Evan Zeltinger, 41800 366<sup>th</sup> Street NW, Kenmare, ND 58746. Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of Evan Zeltinger. The Attorney General may thereafter assign this amount to Evan Zeltinger.

[¶26] Defendant Chad Wilburn owes restitution in the amount of \$600.00 to Tyler Olson, 5921 37<sup>th</sup> Avenue SE, Minot, ND 58701. Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of Tyler Olson. The Attorney General may thereafter assign this amount to Tyler Olson.

[¶27] Defendant Chad Wilburn owes restitution in the amount of \$2650.00 to Rick Vise, 8420 County Road 15W, Minot, ND 58703. Defendant agrees and consents

to the entry of a monetary judgment against Chad Wilburn for the benefit of Rick Vise. The Attorney General may thereafter assign this amount to Rick Vise.

[¶28] Defendant Chad Wilburn owes restitution in the amount of \$30,000.00 to Dale Sundley, 8025 98<sup>th</sup> Avenue NW, Battleview, ND 58773. Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of Dale Sundley. The Attorney General may thereafter assign this amount to Dale Sundley.

[¶29] Defendant Chad Wilburn owes restitution in the amount of \$10,000.00 to Billy Wahl, 4101 Memorial Highway, Mandan, ND 58554. Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of Billy Wahl. The Attorney General may thereafter assign this amount to Billy Wahl.

[¶30] Defendant Chad Wilburn owes restitution in the amount of \$12,000.00 to Dion Miller, 1802 34<sup>th</sup> Avenue SE, Minot, ND 58701. Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of Dion Miller. The Attorney General may thereafter assign this amount to Dion Miller.

[¶31] Defendant Chad Wilburn, pursuant to N.D.C.C. § 51-15-11 shall pay to the Attorney General in the amount of \$1,000.00 in civil penalties, attorney's fees, investigation costs, and expenses, and Defendant agrees and consents to the entry of a monetary judgment against Chad Wilburn for the benefit of the Attorney General.

[¶32] The Plaintiff, State of North Dakota ex rel. Wayne Stenehjem, Attorney General, may apply to this court to amend this Judgment within the next year if the Attorney General receives a complaint from a North Dakota consumer that alleges they are owed a refund for a motor vehicle restoration project that Defendant accepted an advance deposit for and allegedly failed to finish or deliver the materials. If the Attorney General applies to this court to amend this Judgment, then the Attorney General agrees to personally serve Defendant with any notice of the application.

¶33] The Plaintiff, State of North Dakota ex rel. Wayne Stenehjem, Attorney General, can assign to each individual consumer named in this Consent Order and Judgment, a part of the Judgment representing the amount owing to the individual consumer, as set forth in this Judgment.

¶34] Defendant agrees violation of this Consent Order and Judgment is a violation of N.D.C.C. § 51-15-02, for which the Attorney General may seek civil penalties, attorney's fees, investigation costs, and any other additional relief allowed by law. Further, any violation of this Consent Order and Judgment is also punishable as a contempt of court pursuant to N.D.C.C. ch. 27-10 and Defendant is subject to all other civil penalties and sanctions provided by law, including attorney's fees, investigation costs, and expenses.

¶35] Interest shall accrue on this Judgment in accordance with the interest rate on judgment as provided by N.D.C.C. § 28-20-34.

¶36] The Judgment entered shall be a Judgment for which execution may issue.

¶37] Defendant Chad Wilburn expressly agrees that if he should in the future decide to file bankruptcy, any monetary obligations to the consumers of North Dakota as set forth within this Judgment, or an amended Judgment as provided herein, shall be considered non-dischargeable under 11 U.S.C. § 523(a)(2) or 11 U.S.C. § 523(a)(7). Defendant agrees that his actions are deemed to constitute false pretense, false representation, or actual fraud under 11 U.S.C. § 523(a)(2).

¶38] This Judgment is now entered this 1st day of July 2016 day of \_\_\_\_\_, 2016, at Minot, North Dakota.

CLERK OF DISTRICT COURT

Signed: 7/1/2016 8:28:36 AM

